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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/600,509	07/17/2000	FUMITAKE YODO	6715/60188	7100

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EXAMINER

FISCHER, ANDREW J

ART UNIT

PAPER NUMBER

3627

DATE MAILED: 12/20/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.
09/600,509

Applicant(s)
Fumitake Yodo

Examiner
Andrew J. Fischer

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Sep 25, 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1 and 3-7 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1 and 3-7 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☒ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☒ All b) ☐ Some* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☒ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____ 6) ☐ Other:

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DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination ("RCE") under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed (Paper No. 10) in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114.

Acknowledgments

2. In accordance with the RCE noted above, the after final amendment (Paper No. 7) filed September 5, 2002 has been entered. Accordingly, claims 1 and 4-7 remain pending.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the Applicant regards as his invention.

4. Claims 1 and 4-7 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention.

a. In claim 1, it is still unclear whether Applicant is claiming the subcombination of a terminal device or the combination of a terminal and an accounting center.

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If its Applicant's intent to claim only the subcombination, the body of the claims must be amended to remove any positive recitation of the combination. If its Applicant intend to claim the combination, the preamble of the claim must be amended to be consistent with the language in the body of the claim. For the later, the Examiner recommends claiming "A system."

It is the Examiner's position that the limitations "for transmitting the accounting point information stored in the first memory to the accounting center" are functional limitations which are given little patentable weight thereby placing any such positive structural limitations found within this phrase to be outside the claim's scope. In addition to the above, if Applicant concurs with the Examiner's position, the Examiner respectfully requests Applicant to explicitly state his concurrence on the record. Upon receiving such concurrence, the 35 U.S.C. §112 second paragraph rejection will then be withdrawn.

Alternatively, if Applicant argues that the limitation should be given greater patentable weight requiring the Examiner to show the prior art having such structural features, the Examiner respectfully requests Applicant to expressly state his desire on the record and to claim or recite the combination. Upon clarifying the claim scope, the 35 U.S.C. §112 second paragraph rejection will then be withdrawn.

b. In claim 6, it is unclear whether the Applicant is claiming the subcombination of a terminal device or the combination of a terminal device and an external device since Applicant recites "wherein the controller receives external device information from the external device"

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If its Applicant's intent is to claim only the subcombination (i.e. the terminal device), the body of the claims must be amended to remove any positive recitation of the combination. If its Applicant's intend to claim the combination (the terminal device and the external device), the preambles of the claims must be amended to be consistent with the language in the body of the claim. Otherwise the claimed "terminal device" would have a meaning repugnant to its accepted meaning (e.g. a system of terminal devices).¹

It is the Examiner's primary position that the "an external device having a third memory" are functional limitations which are given little patentable weight thereby placing any such positive structural limitations found within this phrase to be outside the claim's scope. In addition to the above, if Applicant concurs with the Examiner's position, the Examiner respectfully requests Applicant to explicitly state his concurrence on the record. Upon receiving such concurrence, the 35 U.S.C. §112 second paragraph rejection will then be withdrawn.

Alternatively, if Applicant does not amend the claims and argues that the limitation should be given greater patentable weight requiring the Examiner to show the prior art having such structural features, the 35 U.S.C. §112 second paragraph rejection will be maintained.

¹ Even when acting as one's own lexicographer, a definition may not be given a meaning repugnant its usual meaning. *Allen Engineering Corp. v. Bartell Industries Inc.*, 299 F.3d 1336, 1349, 63 USPQ2d 1769, 1776 (Fed. Cir. 2002) (holding that even when acting as one's own lexicographer, the term "perpendicular" in the claim was not allowed to mean "parallel."); *In re Hill*, 161 F.2d 367, 73 USPQ 482, 484 (CCPA 1947); MPEP §2173.05(b) subsection titled "A Term May Not Be Given a Meaning Repugnant to its Usual Meaning."

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Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States. . . .

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the Applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the Applicant for patent.

6. Claims 1, 4, 5, and 6, as understood by the Examiner, are rejected under 35 U.S.C. 102(e) as being anticipated by Peterson, Jr. (U.S. 5,857,020) ("Peterson '020"). Peterson '020 discloses a terminal with a first memory (memory storing 91), a second memory (memory storing 79), a controller (94); a second controller (the digital-to-analog converter within 40); the controller reduces the accounting point information (from 91) stored in the first memory and updates the attributes of the received information from an unavailable state to an available state (decrypts the secured data making it available to the user); if the user has insufficient funds, the data is held in the unavailable state (inherent); the second controller transmits the accounting point information (for an increase in funds) and the accounting point information is reset to an initial value (e.g. greater than or equal to \$5) based upon the status of the account processing (payment was received) (inherent in the "automatic online process" at column 9, lines 44-53); and a communicator (40).

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7. Functional recitations using the word “for” (e.g. “for storing accounting point information” as recited in claim 1) have been given little patentable weight because they fail to add any structural limitations and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim. *In re Casey*, 152 USPQ 235 (CCPA 1967); *In re Otto*, 136 USPQ 458, 459 (CCPA 1963). By way of examples only, the Examiner suggests, “a first memory storing accounting point information,” “a second memory storing,” and “a controller updating” as positive recitations removing the language from its current functional interpretation.

8. As noted in the previous Office Actions,² Applicant has deliberately removed all instances of “means for” from the claims. Therefore, in accordance with the *Supplemental Examination Guidelines for Determining the Applicability of 35 USC 112 6th*³ (“Guidelines”) and MPEP §2181, it is the Examiner’s position that Applicant has expressly intended not to invoke 35 U.S.C. 112 6th paragraph. Therefore, the Examiner has interpreted all pending claims so as to NOT invoke 35 U.S.C. 112 6th paragraph.⁴

² See the previous Final Office Action mailed May 21, 2002, Paper No. 6, Paragraph No. 17 and also the Office Action mailed January 17, 2002, Paper No 4, Paragraph No. 11.

³ Federal Register Vol 65, No 120, June 21, 2000.

⁴ “Just as prosecution history estoppel may act to estop an equivalence argument under the doctrine of equivalents, positions taken before the PTO may bar an inconsistent position on claim

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9. To the extent that Peterson '020 does not disclose particular processes as claimed, the Examiner interprets those limitations as product-by-process limitations since Applicant has clearly chose an apparatus or product as his invention.⁵ “[E]ven though product-by-process claims are limited by and defined by the process, determination of patentability is based on the product itself. The patentability of a product does not depend on its method of production. If the product in a product-by-process claim is the same as or obvious from a product of the prior art, the claim is unpatentable even though the prior product was made by a different process.” *In re Thorpe*, 777 F.2d 695, 697, 227 USPQ 964, 966 (Fed. Cir. 1985).⁶

10. The Examiner notes that Applicant has declined the Examiner’s express invitation⁷ to be his own lexicographer by indicating and defining claim limitations to have meanings other than their ordinary and accustomed meanings. Accordingly and for due process purposes, the

construction under §112, ¶ 6.” *Ballard Medical Products v. Allegiance Healthcare Corp.*, 268 F.3d 1352, 1359, 60 USPQ2d 1493, 1499 (Fed. Cir. 2001) (citations omitted).

⁵ Claim 1 begins “A terminal device” Additionally, “[c]laims in apparatus form conventionally fall into the 35 U.S.C. §101 statutory category of a ‘machine.’” *Ex parte Donner*, 53 USPQ2d 1699, 1701 (B.P.A.I. 1999)(unpublished), (Paper No. 34, page 5, issued as U.S. Patent 5,999,907). Products may be either machines, manufactures, or compositions of matter. MPEP §2106 IV B. 2 (a). Therefore, it is the Examiner’s position that Applicant’s apparatus claims are clearly “product” claims or more specifically, “machine” claims.

⁶ See also MPEP §2113 discussing *In re Thorpe* and similar cases. See also *Atlantic Thermoplastics Co. v. Faytex Corp.*, 970 F.2d 834, 23 USPQ2d 1490 (Fed. Cir. 1992) (hereinafter “*Atlantic Thermoplastics v. Faytex I*”) for a in depth discussion on product-by-process claims.

⁷ See previous Final Office Action, Paper No. 6, Paragraph No. 10 mailed may 21, 2002.

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presumption in favor of the ordinary and accustomed meaning is maintained. The claims therefore continue to be interpreted with their "broadest reasonable interpretation," *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997),⁸ and the Examiner continues to rely heavily on this interpretation.⁹ See e.g. *Transclean Corp. v. Bridgewood Servs., Inc.*, 290 F.3d 1364, 1381, 62 USPQ2d 1865, 1877 (Fed. Cir. 2002) ("Because the patentee has not chosen to be his own lexicographer in this instance, [the claimed element] should carry its ordinary meaning") (Clevenger, J. dissenting in part).

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claim 7, as understood by the Examiner, is rejected under 35 U.S.C. 103(a) as being unpatentable over Peterson '020 in view of Goldman (U.S. 5,629,867). Peterson '020 discloses as discussed above but does not directly disclose a third controller. Goldman teaches that

⁸ See also MPEP §2111; *In re Graves*, 69 F.3d 1147, 1152, 36 USPQ2d 1697, 1701 (Fed. Cir. 1995); *In re Etter*, 756 F.2d 852, 858, 225 USPQ 1, 5 (Fed. Cir. 1985) (en banc).

⁹ See 37 C.F.R. §1.104(c)(3) which states in part: "the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability [Emphasis added.]"

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although only one processor (10) is required, to provide optimum performance, a processor system using two processors (10 and 12) is preferred (column 4, lines 38-45).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Peterson '020 as taught by Goldman to include a third controller as a redundant processor. Such a modification would have provided redundancy such that if one processor failed, the other processor could immediately take over without interruption.

Moreover, the claimed functions performed by "a third controller" in claim 7 could easily be performed by controller (32) in Peterson '020. Applicant is reminded that mere duplication of parts has no patentable significance unless a new and unexpected result is produced. *In re Harza*, 47 CCPA 771, 274 F.2d 669, 124 USPQ 378 (CCPA 1960).¹⁰ In this case, it is the Examiner's factual determination that duplicating processors (whether its two or three processors) would not produce new or unexpected results.

Response to Arguments

13. Applicant's response filed with his amendment has been fully considered but does not place the claims in condition for allowance.

¹⁰ See MPEP §2144 titled "Legal Precedent Can Provide the Rational Supporting Obviousness ..." for a discussion of how legal precedent can be used as a substitute for a motivational statement in obviousness rejections.

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14. Regarding the combination/subcombination, the Examiner simply asks: Is it the combination or subcombination Applicant intends to claim? This issue is of particular importance in this case.

a. “Claims may not be construed one way in order to obtain their allowance and in a contrary way against infringers.” *Tandon Corp. v. United States Int’l Trade Comm’n*, 831 F.2d 1017, 1021, 4 USPQ2d 1283, 1286 (Fed. Cir. 1987). The Examiner recognizes that for literal infringement purposes, a *subcombination* claim is much more valuable than a combination claim since literal infringement of a subcombination claim can occur at an earlier state of production when compared with a *combination* claim directed to the same subject matter. This is obvious since fewer structural elements are needed for literal infringement in a subcombination claim than would be needed for literal infringement in a corresponding combination claim. However, with this lower structural threshold for literal infringement comes a lower structural threshold for anticipation.¹¹ And since the Examiner’s concern is patentability and not infringement,¹² the Examiner’s concern is *not* with which *type* of claim Applicant chooses (i.e. combination or

¹¹ There is a long recognized principle: “that which infringes if later, anticipates if earlier” *Polaroid Corp. v. Eastman Kodak Co.*, 789 F.2d 1556, 1573, 229 USPQ 561, 574 (Fed. Cir. 1986) citing *Peters v. Active Mfg. Co.*, 129 U.S. 530, 537 (1889).

¹² “The business of the PTO is patentability, not infringement.” *In re Hogan* 559 F.2d 595, 607, 194 USPQ 527, 538 (CCPA 1977).

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subcombination), but simply that a choice is made. And like any claims, once Applicant's intent (or choice) is known, the claims must comport to that intent.¹³

b. If Applicant intends to claim the subcombination (the terminal device only), logic dictates that only the terminal device (and structural elements associated with the terminal device) may be positively claimed. In this case, the structural elements outside the terminal device would be irrelevant since it is physically impossible for them to be a part of the claimed terminal device.

It is the Examiner's factual determination that because claim 1 states "A terminal device . . . comprising:" a presumption is established that Applicant intends to claim only the terminal device. As noted above in Paragraph No. 10, Applicant has repeatedly declined the Examiner's invitation to be his own lexicographer. As stated earlier, claim terms may not be repugnant to their ordinary meaning.¹⁴ The Examiner therefore concludes that Applicant has not successfully rebutted this presumption.

c. On the other hand, if Applicant intends to claim the combination (e.g. the terminal device and the accounting center or other external device), Applicant must rebut this presumption. For example, Applicant may rebut this presumption by claiming "A system . . . comprising" *and* expressly indicating in his remarks that he intends to claim the combination. While the scope of this type of claim is less valuable for literal infringement purposes, the quid pro quo for employing

¹³ "The specification shall conclude with one or more claims, particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." 35 U.S.C. §112, 2nd Paragraph (1994).

¹⁴ *In re Hill*, 73 USPQ at 484.

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this less valuable claim scope is that its more difficult for the Examiner to establish anticipation or obviousness.

15. The Examiner notes that the previous Office Action contained indications that the claims were allowable over the prior art. First Applicant has amended claim 1 to include additional functional recitations changing the scope of claim 1 dramatically. Additionally, the allowability was based on a combination claim. Even so, after further search, it is the Examiner's position that the claims are now rejected as noted above. The Examiner sincerely apologizes for the indication of allowable subject matter.¹⁵

16. Finally, it is the Examiner's position that all claimed features in claims 1 and 4-7 are either disclosed or inherent in the references discussed above. Furthermore, the inherent features are established by a preponderance of the evidence. *In re Epstein*, 32 F.3d 1559, 1564, 31 USPQ2d 1817, 1820 (Fed. Cir. 1994) ("Preponderance of the evidence is the standard that must be met by the PTO in making rejections." (citations and quotations omitted)).

Conclusion

17. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure because they disclose systems similar to Applicant's device includes the following: Uranaka et. al. (U.S. 6,470,085 B1); Matsuzaki et. al. (U.S. 6,289,314 B1); Oren et. al. (U.S.

¹⁵ Because the object and policy of patent law requires issuance of only valid patents, the PTO may withdraw claims from issue at anytime up until the date of publication. See generally *BlackLight Power, Inc. v. Rogan*, 295 F.3d 1269, 63 USPQ2d 1534 (Fed. Cir. 2002).

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6,240,401 B1); Berlin et. al. (U.S. 5,915,093); Peterson, Jr. (U.S. 5,825,876); Kazmierczak et. al. (U.S. 5,615,264); Handelman (U.S. 5,414,773); Naruse (U.S. 5,325,431); and Katznelson (U.S. 5,010,571).

18. All MPEP sections cited within are from the Manual of Patent Examining Procedure (MPEP) Eighth Edition, August 2001 unless expressly noted otherwise.

19. In accordance with the USPTO's goals of customer service, compact prosecution, and reduction of cycle time, the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. The Examiner notes and thanks Applicant for his "Remarks" (Paper No 7) traversing the Examiner's positions on various points. If Applicant disagrees with any additional factual determination or legal conclusion made by the Examiner in this Office Action whether expressly stated or implied¹⁶, the Examiner respectfully requests Applicant *in his next response* to expressly traverse the Examiner's position and provide appropriate arguments in support thereof.¹⁷ By addressing these issues now, matters where the Examiner and Applicant agree can be eliminated allowing the Examiner and Applicant to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicant has any questions regarding the Examiner's positions or has other questions regarding

¹⁶ E.g., if the Examiner rejected a claim under §103, although not directly stated, it is the Examiner's implied position that the references are analogous art.

¹⁷ These requirements are considered reasonable in view of the USPTO's goals of compact prosecution, productivity with particular emphasis on reductions in both pendency and cycle time, and other goals as outlined in the USPTO's The 21st Century Strategic Plan, June 3, 2002 available at www.uspto.gov/web/offices/com/strat2001/index.htm.

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this communication or even previous communications, Applicant is strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (703) 305-0292.

 12/15/02
ANDREW J. FISCHER
PATENT EXAMINER

AJF
December 15, 2002